



## State of New Jersey

**PHILIP D. MURPHY**  
*Governor*

OFFICE OF THE STATE COMPTROLLER  
MEDICAID FRAUD DIVISION  
P.O. BOX 025  
TRENTON, NJ 08625-0025 (609)  
826-4700

**KEVIN D. WALSH**  
*Acting State Comptroller*

**SHEILA Y. OLIVER**  
*Lt. Governor*

**JOSH LICHTBLAU**  
*Director*

August 26, 2020

### **BY ELECTRONIC MAIL**

Cory Storch, Chief Executive Officer  
Bridgeway Rehabilitation Services Inc.,  
615 North Broad Street  
Elizabeth, NJ 07028

### **Re: Notice of Overpayment – Bridgeway Rehabilitation Services Inc.** **NPI [REDACTED]**

Dear Mr. Storch:

This letter serves to inform you that the Office of the State Comptroller, Medicaid Fraud Division (MFD) conducted a review of Medicaid claims for partial-care services submitted by Bridgeway Rehabilitation Services Inc., (Bridgeway) under New Jersey local procedure code Z0170 (Partial-Care Per Hour) and Healthcare Common Procedure Coding System (HCPCS) code H0035 during the period March 1, 2015 through December 31, 2019. The objective of this review was to determine whether Bridgeway appropriately billed for services in accordance with *N.J.A.C. 10:66-1.4*. MFD found that Bridgeway violated *N.J.A.C. 10:66-1.4(c)* by submitting claims for units of service that were greater than the pre-approved number of authorized units. By seeking and receiving payment for units in excess of the prior authorized number of units, Bridgeway received an overpayment. MFD calculated the difference between the dollar value of the prior authorized number of units and the number of units that Bridgeway billed and was paid for, and considers this differential to be an overpayment. Applying this methodology, MFD determined that Bridgeway submitted claims for 990 units above the prior authorized limit, which totaled \$17,400 in Medicaid overpayments. (See Appendix A for a Summary of Prior Authorization Overpayment Report by recipient and Appendix B for a Prior Authorization Overpayment Claim Detail Report by recipient.) These improperly billed claims constitute overpayments that Bridgeway must repay to the Medicaid program.

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Partial-care prior authorization requests and approvals are required at least once every six months. According to *N.J.A.C. 10:66-1.4(c)*, “mental health and substance use disorder outpatient rehabilitative services, including individual psychotherapy, group therapy, family consultation, and family therapy, provided to each Medicaid or NJ FamilyCare fee-for-service beneficiary require prior authorization when payment to an independent clinic exceeds \$6,000 for that Medicaid or NJ FamilyCare fee-for-service beneficiary in any 12-month period . . . . The maximum period of authorization for partial care shall not exceed six months.” *N.J.A.C. 10:66-1.4(c)(6)* also states that “[i]f the request for prior authorization is approved, the Division’s fiscal agent shall notify the provider in writing regarding the Division’s decision; authorized date or time frame; and activation of the prior authorization number.” Further, pursuant to *N.J.A.C. 10:49-6.1* and *10:66-1.4(a)* and *(c)*, payment for services requires prior authorization except in emergencies. Accordingly, providers may not submit claims for units in excess of the prior authorized number of units.

Enclosed please find password protected files containing claims detail for those prior authorization numbers where Bridgeway improperly billed for units of service that were greater than the pre-approved number of authorized units for such services. To obtain the password, please contact [REDACTED], by electronic mail at [REDACTED].

**PLEASE TAKE NOTICE:** If, after reviewing MFD’s list of claims, you believe that Bridgeway billed the Medicaid program in accordance with state regulations, you may submit to MFD a written explanation with relevant supporting documentation within thirty (30) days of the date of this letter. Should you submit such a written explanation within this thirty (30) day period, MFD reserves the right to request additional records, conduct on-site visits, and/or perform any additional analysis necessary to conclude this review. Should you fail to respond in writing to MFD within this thirty (30) day period, MFD may take further appropriate action, including but not limited to: issuing a Notice of Claim, Certificate of Debt, Notice of Withholding, which would withhold a portion of your future claims payments, and any other remedy available to MFD by law.

If you agree with MFD’s conclusion, mail a Certified Check, Bank Check, or Attorney Trust Check in the amount of \$17,400 made payable to “Treasurer, State of New Jersey” to the address below. Please insert on the “memo line” of the check “[REDACTED]”.

Treasurer, State of New Jersey  
Division of Revenue  
200 Woolverton Street, Building 20  
Lockbox 656  
Trenton, New Jersey 08646  
Attn: Processing Bureau

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In addition, please forward a copy of your certified payment by email to [REDACTED] or by US Mail to the Office of the State Comptroller, Medicaid Fraud Division, P.O. Box 025, Trenton, New Jersey, 08625-0025, attention: [REDACTED]. Should you have any questions regarding this letter, please contact [REDACTED] by email at [REDACTED].

Sincerely,

KEVIN D. WALSH  
ACTING STATE COMPTROLLER

By: /s/Michael M. Morgese  
Michael M. Morgese  
Audit Supervisor  
Medicaid Fraud Division

Enclosures: Appendix A – Prior Authorization Overpayment Summary Report.  
(password protected)  
Appendix B – Prior Authorization Overpayment Claim Detail Report  
(password protected)

c: Don Catinello, Supervising Regulatory Officer, MFD  
Glenn Geib, Recovery Supervisor, MFD

**MFD Audit Update – October 22, 2020**

On October 21, 2020, MFD received a check dated September 28, 2020 from Bridgeway Rehabilitation Services, Inc. for the full amount due, \$17,400.